

By: Senator(s) Chassaniol

To: Local and Private;
Finance

SENATE BILL NO. 3219

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE TOWN OF
2 VAIDEN, MISSISSIPPI, TO LEVY A 2% TAX UPON THE GROSS PROCEEDS OF
3 SALES OF RESTAURANTS TO PROVIDE FUNDS FOR THE PROMOTION OF TOURISM
4 AND PARKS AND RECREATION; TO AUTHORIZE THE GOVERNING AUTHORITIES
5 OF THE TOWN OF VAIDEN TO LEVY A 2% TAX UPON THE GROSS PROCEEDS
6 FROM ROOM RENTALS OF HOTELS AND MOTELS TO PROVIDE FUNDS FOR THE
7 PROMOTION OF TOURISM AND PARKS AND RECREATION; TO REQUIRE THAT THE
8 LEVY OF ANY TAX UNDER THIS ACT MAY BE IMPOSED ONLY IF APPROVED AT
9 AN ELECTION BY 60% OF THOSE VOTING; TO AUTHORIZE THE GOVERNING
10 AUTHORITIES OF THE TOWN OF VAIDEN TO LEVY A 2% TAX UPON THE GROSS
11 PROCEEDS FROM ROOM RENTALS OF HOTELS AND MOTELS TO PROVIDE FUNDS
12 FOR THE PROMOTION OF TOURISM AND PARKS AND RECREATION; TO REQUIRE
13 THAT THE LEVY OF THE ADDITIONAL TAX MAY BE IMPOSED ONLY IF
14 APPROVED AT AN ELECTION BY 60% OF THOSE VOTING; AND FOR RELATED
15 PURPOSES.

16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

17 **SECTION 1.** As used in this act, the following terms have the
18 meanings ascribed to them in this section unless the context
19 clearly indicates otherwise:

20 (a) "Governing authorities" means the Mayor and Board
21 of Aldermen of the Town of Vaiden, Mississippi.

22 (b) "Prepared food" means food prepared on the premises
23 of a restaurant.



24 (c) "Restaurant" means all places within the town where
25 prepared food and beverages are sold for consumption, whether such
26 food is consumed on the premises or not. The term "restaurant"
27 does not include any school, hospital, convalescent or nursing
28 home, and restaurant-like facilities operated by or in connection
29 with a school, hospital, medical clinic, convalescent or nursing
30 home providing food for students, patients, visitors or their
31 families.

32 (d) "Hotel" and "motel" has the meaning provided in
33 Section 27-65-23.1, Mississippi Code of 1972.

34 **SECTION 2.** (1) For the purpose of providing funds to
35 promote tourism and parks and recreation, the governing
36 authorities, in their discretion, may levy, assess and collect a
37 tax from persons, firms or corporations specified in this
38 subsection, which shall be in addition to all other taxes or
39 assessments imposed. The tax shall be imposed upon every person,
40 firm or corporation operating a restaurant in the town where
41 prepared food and drink is sold to the public, at a rate not to
42 exceed two percent (2%) of the gross proceeds of the sales of such
43 restaurant or business.

44 (2) For the purpose of providing funds to promote tourism
45 and parks and recreation, the governing authorities, in their
46 discretion, may levy, assess and collect a tax from persons, firms
47 or corporations specified in this subsection, which shall be in
48 addition to all other taxes and assessments imposed. The tax



49 shall be imposed upon every person, firm or corporation operating
50 a hotel or motel in the county, at a rate not to exceed two
51 percent (2%) of the gross proceeds from room rentals of all such
52 hotels or motels, excluding charges for food, telephone, laundry,
53 beverages and similar charges. The tax shall not be levied upon
54 or collected from gross proceeds from room rentals for day
55 meetings where the room does not serve as overnight sleeping
56 accommodations.

57 (3) Persons, firms, corporations or other entities liable
58 for any tax imposed under this section shall add the amount of the
59 tax to the sales price of the food and beverages and shall
60 collect, insofar as practicable, the amount of the tax due from
61 the person purchasing the food or beverages at the time of payment
62 therefor.

63 **SECTION 3.** Before any tax authorized under this act may be
64 imposed, the governing authorities shall adopt a resolution
65 declaring their intention to levy the tax, setting forth the
66 amount of the tax to be imposed, the date upon which the tax shall
67 become effective and calling for an election to be held on the
68 question. The date of the election shall be fixed in the
69 resolution. Notice of the intention and the election shall be
70 published once each week for at least three (3) consecutive weeks
71 in a newspaper published or having a general circulation in the
72 town, with the first publication of the notice to be made not less
73 than twenty-one (21) days before the date fixed in the resolution



74 for the election and the last publication to be made not more than
75 seven (7) days before the election. At the election, all
76 qualified electors of the town may vote, and the ballots used in
77 the election shall have printed thereon a brief statement of the
78 amount and purposes of the proposed tax levy and the words "FOR
79 THE TAX" and, on a separate line, "AGAINST THE TAX" and the voters
80 shall vote by placing a cross (X) or check (✓) opposite their
81 choice on the proposition. When the results of the election have
82 been canvassed and certified, the town may levy the tax if sixty
83 percent (60%) of the qualified electors who vote in the election
84 vote in favor of the tax. At least thirty (30) days before the
85 effective date of the tax, the governing authorities shall furnish
86 to the Department of Revenue a certified copy of the resolution
87 evidencing the tax.

88 **SECTION 4.** (1) On or before the fifteenth day of the month
89 preceding the date on which the town will begin to levy the tax
90 authorized under Section 2 of this act, the governing authorities
91 shall give written notification to the Commissioner of Revenue of
92 the date on which the tax will become effective.

93 (2) The tax must be collected by and paid to the Department
94 of Revenue in the same manner that state sales taxes are computed,
95 collected and paid, and the full enforcement provisions and all
96 other provisions of Title 27, Chapter 65, Mississippi Code of
97 1972, will apply as necessary for the implementation of this act.



98 (3) Except for any amount retained by the Department of
99 Revenue under Section 27-3-58, Mississippi Code of 1972, the
100 revenue from the special tax collected under this act must be paid
101 to the town on or before the fifteenth day of the month following
102 the month in which collected.

103 (4) The proceeds of the tax shall not be considered by the
104 town as general fund revenues but shall be dedicated to and
105 expended solely for the purposes of promoting tourism and parks
106 and recreation within the town. Accounting for receipts and
107 expenditures of the revenue from the tax shall be made separately
108 from the accounting of receipts and expenditures of the general
109 fund and any other funds of the town. The records reflecting the
110 receipts and expenditures of the revenue from the tax shall be
111 audited annually by an independent certified public accountant,
112 and the accountant shall make a written report of his or her audit
113 to the board of supervisors. The audit shall be made and
114 completed as soon as practicable after the close of the fiscal
115 year, and expenses of the audit shall be paid from the funds
116 derived pursuant to this act.

117 (5) The proceeds of the tax may not be considered by the
118 town as general fund revenues but must be placed into a special
119 fund apart from the town general fund and any other funds and
120 expended by the town strictly for the purposes prescribed under
121 Section 2 of this act.



122 **SECTION 5.** Any tax authorized by this act may be
123 discontinued by the adoption of a resolution by the governing
124 authorities. The resolution shall be effective on the last day of
125 the month, and a certified copy shall be furnished to the
126 Commissioner of Revenue.

127 **SECTION 6.** This act shall replace Chapter 925, Local and
128 Private Laws of 2018, which repealed on July 1, 2022.

129 **SECTION 7.** This act shall stand repealed from and after July
130 1, 2028.

131 **SECTION 8.** This act shall take effect and be in force from
132 and after its passage.

